



Investment Ideas For structured Products



Growth in the shares of Alibaba Group

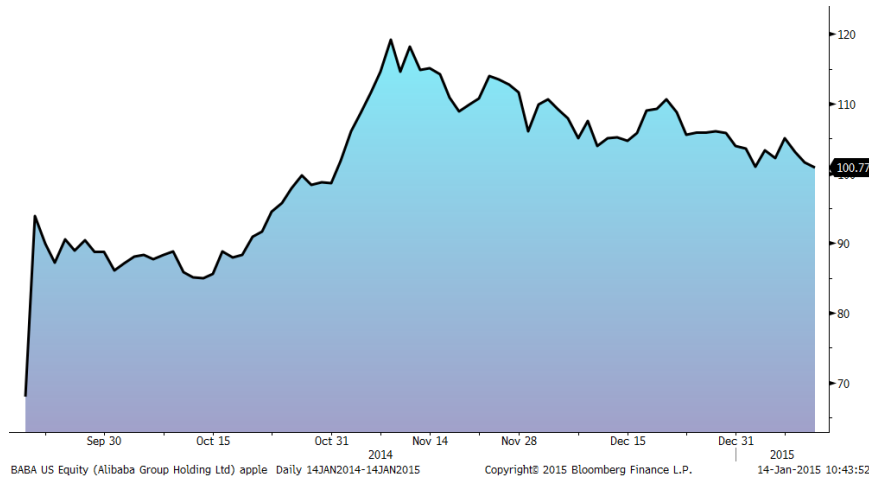
www.alpari-forex.com



Analysis of the Current Situation



The shares of Alibaba GROUP (BABA US Equity)



Alibaba is a Chinese publicly traded firm which operates in the sphere of internet commerce. The company is the leading trading platform, serving millions of buyers and sellers throughout the world. Electronics, equipment, clothes and over another 40 categories of goods are exchanged on Alibaba.com. Alibaba's turnover is around 300 billion USD, whilst its yearly profit totals 8.46 billion USD.

Alibaba is traversing the world with a mission to “make business more simple and accessible”, and the market agrees. By April-June 2014 the operating profit of the company reached 1.1 billion USD which is 42% higher than the aggregate indicators for the American firms Amazon.com and eBay.

The now world famous brand became a public company not long ago. Floating of its stock on the New York stock exchange began last year on 18th September at a price of 68 USD per share. Since then stocks have generated high demand with share price growing almost by 50%.

It's now difficult to imagine someone who doesn't possess a mobile phone, a credit card or without access to the internet. Thus, internet trade will inevitably develop further, something we can all agree on, and this confirms the high potential share growth of the company. The richest man in Russia, Alisher Usmanov holds Alibaba shares in his portfolio and believes that they are destined to appreciate significantly.

We suggest taking advantage of the share growth of this internet giant, protecting ones investments with a structured product.

Coefficients	Company Indicators	Average Competitor Value
Net profit margin	0,41	0,14
P/E	40,6	47,5
EPS adjusted	4,63	3,94

Net profit margin is an indicator of business profitability. The higher the indicator, the higher the competitive advantage of the company.

P/E is a value indicator which defines the number of periods necessary in order for the cost of buying the asset to be recuperated. The lower the indicator, the quicker the investment will recoup costs and, therefore, the better for the investor.

EPS adjusted illustrates the amount of profit to be paid on the asset. The higher the indicator, the better for the investor.